NOTICE OF AVAILABILITY REAL PROPERTY EXCHANGE

UNITED STATES ARMY RESERVE CENTER MOREHEAD CITY, NORTH CAROLINA



U.S. DEPARTMENT OF ARMY

When referring to this offering, please note that it is a Notice of Availability for Exchange:

UNITED STATES ARMY RESERVE CENTER, MOREHEAD CITY, NORTH CAROLINA

Open Site Visit and Pre-Proposal Conference will be held on 18 January 2006 at 10:00 a.m., at the following location: 405 Fisher Street, Drill Hall, Morehead City, North Carolina.

Point of Contact: Valerie Doss, US Army Corps of Engineers (see page 21)

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*** Note: Offers will be subject to the terms and conditions contained in the attached Appendices, unless otherwise negotiated, and should be reviewed carefully by Offerors before submission of proposals.

A. INTRODUCTION

The U.S. Army Reserve (USAR) owns a number of properties throughout the United States that are improved with USAR facilities. New development and changing land use patterns in the vicinity of these properties have created value in them for higher and better uses. The USAR intends to capture the value of these properties by offering them in exchange for new land and/or real property improvements that will update and strategically realign the USAR's inventory of training facilities.

This Real Property Exchange Program will be conducted under the legislative authority of 10 U.S.C. 18240 (**Appendix 1**). Commonly known as the "Exchange Authority", this legislation permits DOD reserve components to convey certain real property assets to private parties in exchange for land and/or real property improvements, existing and/or to be constructed. The real property, real property improvements and equalization payment received by the Government must be of a combined value that is not less than the fair market value of the property to be conveyed, as determined by the Government.

In this Notice of Availability for Exchange (hereinafter Notice), the Government is offering to convey fee title to 23.70± acres and the existing improvements thereon (hereinafter Exchange Parcel) in exchange for real property and "in-kind" real property improvements. The Exchange Parcel is located in Morehead City, Carteret County, North Carolina.

The Exchange Parcel to be conveyed includes a 6.51 acre mainland parcel and 17.19 acres of islands. The mainland portion includes the U.S. Army Reserve Center (ARC) training building, the Organizational Maintenance Site (OMS)/Area Support Maintenance Activity (AMSA) maintenance building, the storage building, piers, and pilings. The island parcels include a small near shore tidal marsh and the 17.1± acre Haystacks Island. Haystacks Island is encumbered with a perpetual conservation easement, resulting from previous mitigation requirements and must be maintained; therefore it is not developable. Acreage will be verified by a survey to be accomplished before the Exchange Agreement is executed.

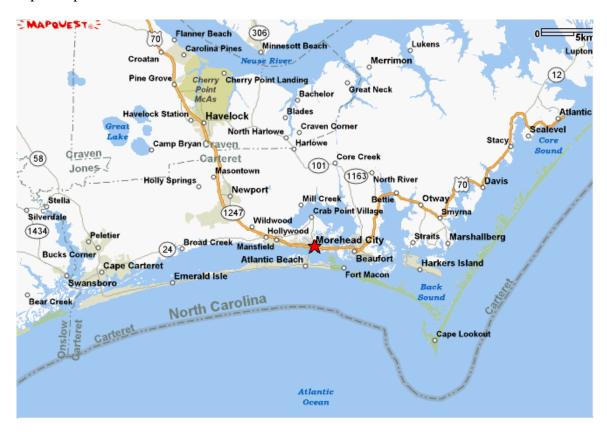
In exchange, the Government requires at least 8 acres of real property and "in-kind"

real property improvements comprising an Army Reserve Center consisting of a training building, an OMS/AMSA, an unheated storage building, and a reinforced concrete deepwater pier (**Appendix 2**). The proposed location must be within 30 miles of the Exchange Parcel, have good road and water access, and have deep water access without dredging requirements that will accommodate over 9 feet draft at neap tide. The location must be capable of supporting a pier length of up to 370 feet, or other suitable pier configuration as approved by the USAR. Information on the Army boats to be moored at the pier is in **Appendix 3**.

The Notice process established for this project is structured to ensure that the Government receives the best value from a qualified and responsible Offeror. The selection will be made based on a total value of the offer, as well as the financial and technical capability of the Offeror. The specific business terms and legal conditions associated with the exchange will be documented in a formal Exchange Agreement. Interested parties can meet the requirements of this Notice with a valuation offer for the Exchange Parcel (the total value offered in exchange for the Government's Exchange Parcel), a description of the qualifications and experience of the team that will fund and satisfy the Government's objective, documentation demonstrating the Offeror's financial and technical capability/capacity to perform, and a proposal of the construction of the replacement facilities.

B. THE EXCHANGE PARCEL

The Exchange Parcel offered for private reuse is the Morehead City U.S. Army Reserve Center, located at 405 Fisher Street, Morehead City, North Carolina. On the Exchange Parcel are a training building, a detached maintenance building, and a storage building. The Carteret County Assessors Office identifies the Exchange Parcel as several separate parcels.



1. Location/Area and Neighborhood

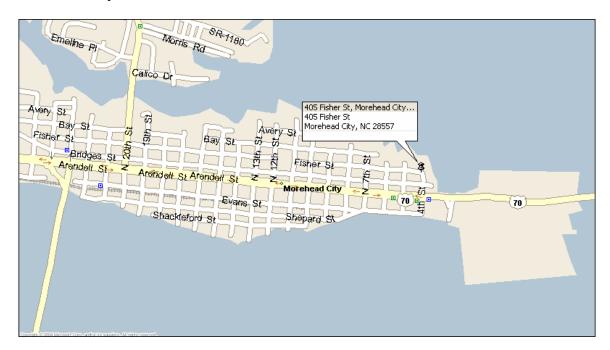
The Exchange Parcel is located on Fisher Street, along the south side of Calico Creek near the mouth of the Newport River, at the terminus of 4th Street and 5th Street. The property lies on both sides of Fisher Street in Morehead City, North Carolina.

The mainland portion of the ARC site is improved with the training and maintenance buildings located on the north side of Fisher Street, and the storage building area on the south side of Fisher Street. An L-shaped portion (0.54 acre) of the Exchange Parcel, located in the northwest quadrant of Bay Street and North 5th Street consists primarily of coastal marshland classified as 404 Wetlands.

Related site improvements, located on the mainland portion of the site, include paved parking areas, bulkheads, and existing piers and pilings within the riparian and littoral rights of Calico Creek. The balance of the site is a tidal marsh island offshore in Calico Creek and Haystacks Island located within the mouth of the Newport River approximately one mile from the ARC.

Other land uses in the area of the Exchange Parcel include a mixture of industrial port properties transitioning to commercial waterfront as demand warrants. Predominant development in the neighborhood is single family residential homes located along Calico Creek, west of the Exchange Parcel.

This neighborhood is bound to the north by Calico Creek and the Newport River, and to the east by Beaufort Inlet and the Intercoastal Waterway. The southern boundary is identified as Arendell Street (US Highway 70). This neighborhood is adjacent to the Morehead City Port located at Beaufort Inlet.



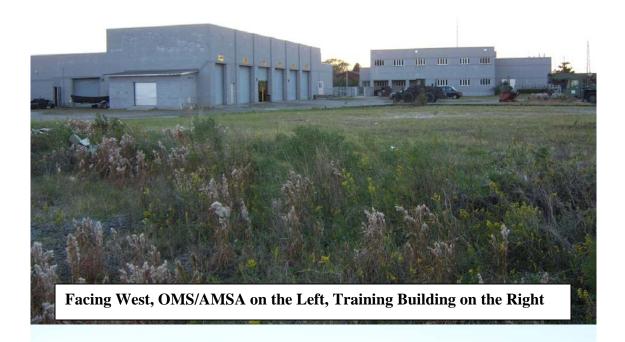
2. Property Description/Site History

The Exchange Parcel contains 23.70± acres and is improved with an ARC training building, a detached maintenance building, and a storage building, piers, and pilings. The buildings total approximately 39,918 square feet. The training and maintenance buildings were built in the mid-1990s. The following floor plans show an approximation of the space for the training building. The condition of all the buildings is good.

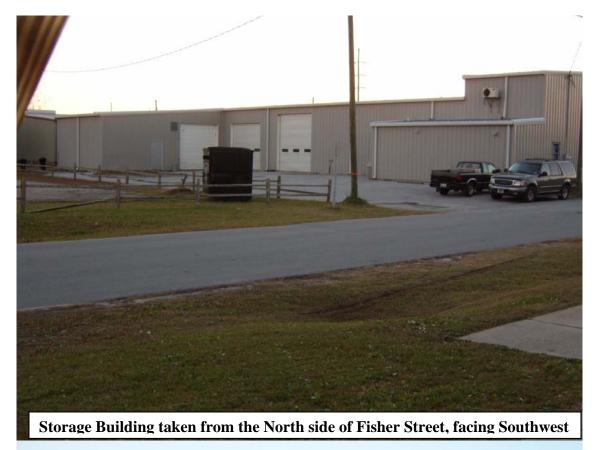
The Exchange Parcel also includes 17.19± acres of islands including a small near shore marsh island and Haystacks Island at the mouth of the Newport River. In the early 1990s, mitigation of dredging activities resulted in development of a marsh environment on Haystacks Island by Wilmington District Corps of Engineers on behalf of the USAR (**Appendix 4**). That mitigation resulted in a conservation easement that must be maintained by the Selected Offeror.



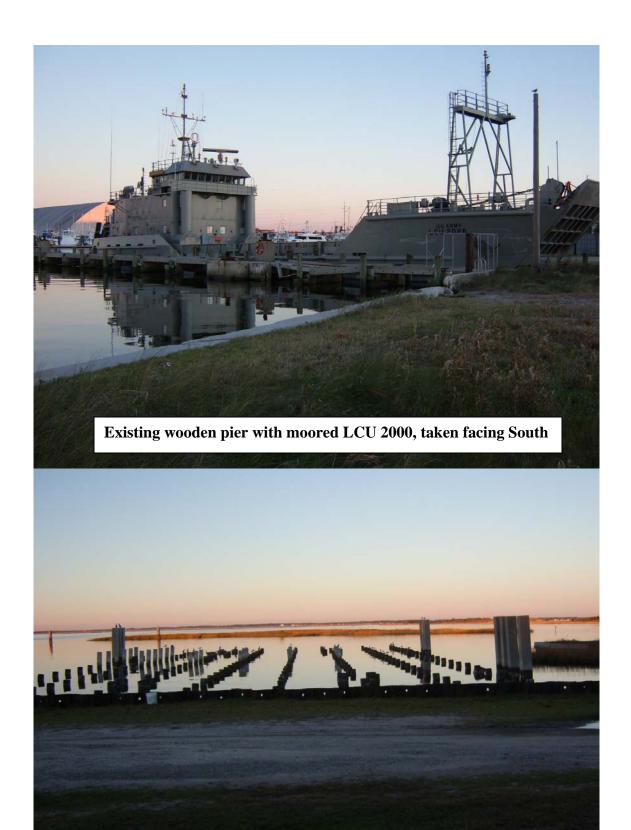
FRONT OF MOREHEAD CITY U.S. ARMY RESERVE CENTER TRAINING BUILDING



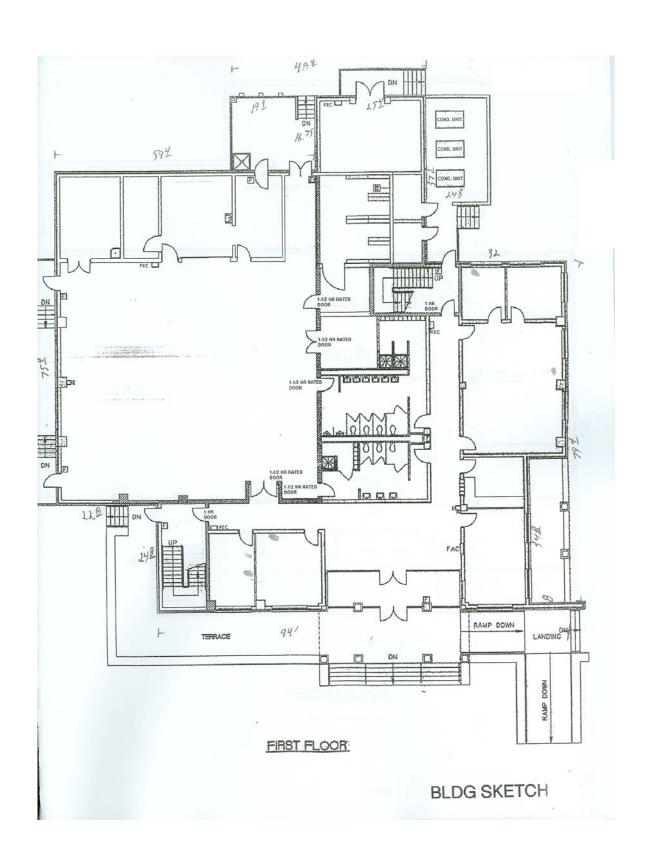




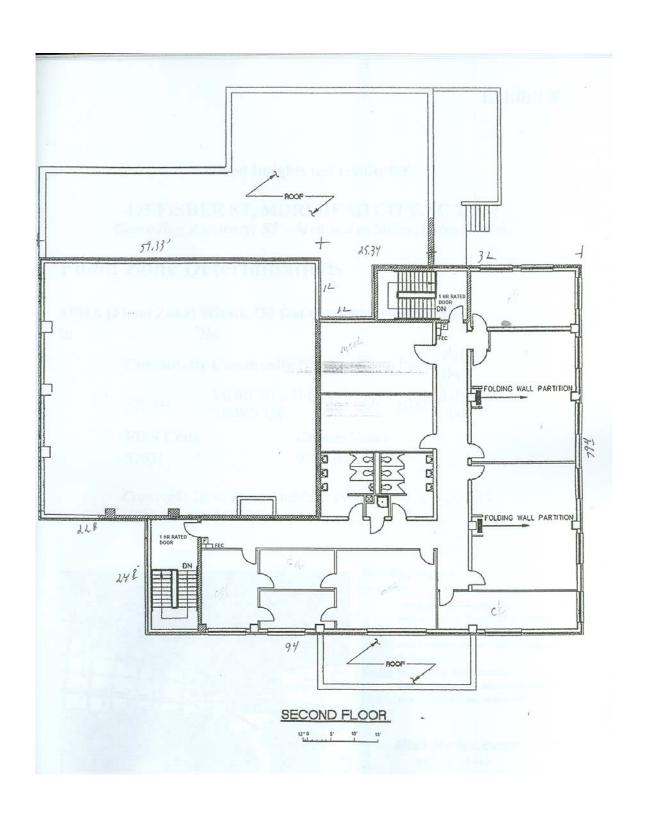




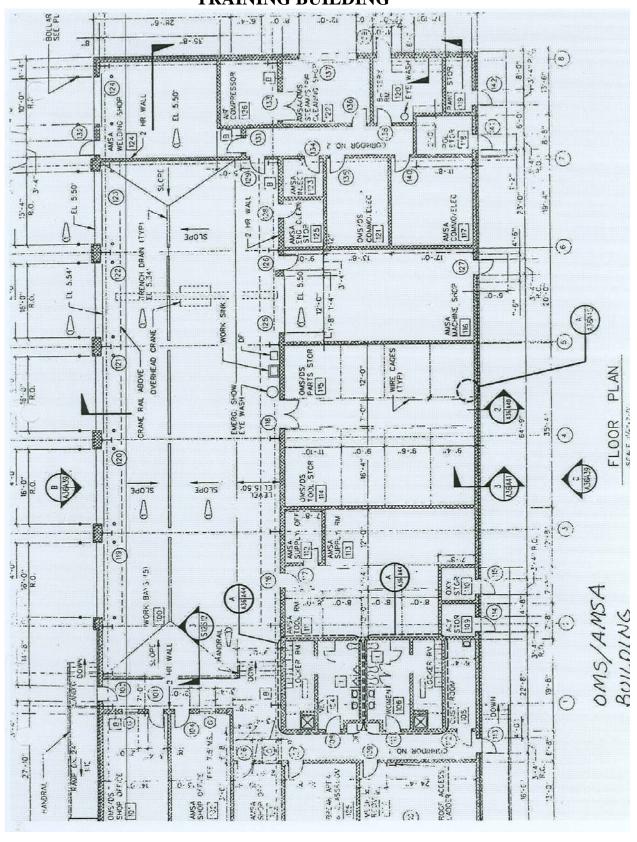
Concrete Pilings with Tidal Marsh Island and Calico Creek in background, taken facing North



TRAINING BUILDING



TRAINING BUILDING



OMS/AMSA FLOOR PLAN -SELENSERALE ETST. .0-,96 LINF ILL PNEW DUTCH WALL STING WOOD FRAME MEZZANINE 5.0"4.-0" 5.-0" MAU-3 -(13) EXISTING VAULT TO REMAIN ..0-.8 — 6" GOLLARD SEE PLATE S-1 MOINT WITH B"X8" BASE PLATE AS SHOWN IN DETAIL C/S-17 (TYP) COLUMN (TYP.) DPEN UNIT AND AMSA STORAGE -EXISTING WATER COOLER TO REMAIN -8'x12' WIRE CAGE (TYP.) 8 FT. HT. WITH DBL 2'-0" SWING DOORS SHELVES TAPPABJUSTABLE 9 36'-0" CAGES 9 12'-0" REPAIR TLE FLOGR IN AREA WHERE EXISTING WATER CLOSET AND SHOWER WERE REMOVED WITH MATCHING TILE. BUILDING 5 EXISTING ICE MAKER-.NF 1.LL-0 2 4 C4 = STORAGE NOWEN 8 v. 8.-6" EXIST. .0-.41 DO 8-0 SUPPLY INF IL (46BA2) 15.-0. 10.-5.. .0-.01 .0-.11 ..0-.21 15. 0.

STORAGE BUILDING FLOOR PLAN

3. Zoning and Land Use

The Exchange Parcel is located within the town limits and zoning jurisdiction of Morehead City. Although the Government is exempt from local zoning requirements, the Exchange Parcel is currently zoned I-P – Port-Industrial, excepting the portion of the site in the northwest quadrant of Bay Street and North Fifth Street which is zoned R-5, Residential. Verification of the present zoning and determination of permitted uses thereunder, along with compliance of the property for present or proposed future use, is the responsibility of the Offeror, and the Government makes no representation in regard thereto. The Government does not guarantee that any zoning information is necessarily accurate or will remain unchanged. Any inaccuracies or changes in the zoning information shall not be cause for adjustment or rescission of any contract resulting from this NOA.

The Exchange Parcel is located in Flood Zone AE, which is in the 100-year flood zone and floodway areas of the Newport River. The location of the Exchange Parcel within the flood zone is typical for the neighborhood and most waterfront properties located within the Morehead City/Carteret County market area. The flood hazard can be mitigated by construction methods; in addition, local building ordinances do contain building provisions to minimize flood hazards. Flood insurance is available in the local market area. The FEMA flood map for the subject neighborhood is identified as 370048-6386J, dated July 16, 2003.

The topography of the Exchange Parcel is level and at street grade. Utilities available to the Exchange Parcel include electricity, telephone, water and sewer. Water and sewer services are provided by the City of Morehead City. The Government in no way warrants the capacity of the utilities, and the selected Offeror should investigate capacity.

Access to the Exchange Parcel is available from both sides of Fisher Street, as well as from 4th and 5th Street. There is good vehicular access to the main traffic arteries within Morehead City. Water access is also available by frontage along Calico Creek. Calico Creek is a navigable tributary extending westward from the Newport River at Beaufort Inlet. The location of the Exchange Parcel along Calico Creek, which is a safe harbor and deep navigable tributary of the Newport River, has convenient access to Beaufort Inlet and the Atlantic Ocean. The Exchange Parcel benefits from exposure and frontage along Calico Creek.

4. Environmental Condition

Consummation of the exchange is contingent on all environmental clearances. This Notice includes a compact disk (CD) of the current Environmental Baseline Survey (EBS) and the draft Finding of Suitability to Transfer (FOST), **Appendix 5**, for the Exchange Parcel. The EBS is a survey of the environmental conditions of the Exchange Parcel and leads to a determination of supportable future use of the Exchange Parcel. The current EBS indicates the Exchange Parcel poses no threat to human health or the

environment, is transferable, and is suitable for residential use. The Government will provide the selected Offeror with a FOST prior to consummation of the Exchange Agreement. The FOST documents the EBS findings, describes any remedial actions taken and the current condition of the Exchange Parcel, and identifies any restriction on future use of the Exchange Parcel. At the time of transfer, the Government will provide a Quitclaim Deed to the Exchange Parcel providing certain covenants and warrants to the environmental condition of the property as required by CERCLA. Those covenants will include confirmation that all required remedial action to protect human health and the environment has been taken.

5. Project Map/Legal Description

The following Project Map is for informational purposes only, and is subject to validation by the Government during the exchange process. The Legal descriptions are available upon request.



C. "IN-KIND" CONSIDERATION

The Government requires the following to be provided by the selected Offeror as consideration in exchange for the Exchange Parcel:

- At least 8 acres of land, located within 30 miles of the Exchange Parcel and suitable for construction of replacement facilities as described herein;
- Construction of an ARC, comprising a minimum of 23,670 square feet;
- Construction of an OMS/AMSA, comprising a minimum of 6,389 square feet;
- Construction of an unheated storage building comprising a minimum of 3,032 square feet;

- Construction of a concrete pier to be 370 lineal feet by 12 feet wide, or other suitable configuration as approved by the USAR. Information on the Army boats to be moored at the pier can be found in Appendix 3; and
- Supporting facilities, to include site preparation, paving, fencing, security lighting, site signage, storm drainage, and extension of utilities to service the project.

A more detailed description of the replacement facilities is provided in the DD Form 1391, Military Construction Project Data (Appendix 2).

The Exchange Partner's responsibility for construction of the replacement facilities will include all elements of design, construction and quality control required to deliver a fully operational ARC, including training building, AMSA and OMS, unheated Storage building, and pier. The Government will provide additional information such as interior layout and adjacency requirements during the design phase. The replacement facilities shall be constructed in accordance with the Army Reserve Real Property Exchange, Criteria and Quality Standards which are provided in electronic format in **Appendix 6** to this Notice. Additionally, all engineering design and engineering work for replacement facilities, and all environmental work necessary for the exchange shall be completed prior to the exchange.

D. <u>ADMINISTRATIVE RESPONSIBILITIES/COSTS</u>

The Exchange Partner will be required to prepare a survey and an Engineering Feasibility Study for the site offered in the proposal prior to consummation of the exchange. The Exchange Partner will be required to fund the Government contracted preparation of an Environmental Assessment (EA) of the Exchange Parcel and the site offered in the proposal, and the resulting Finding of No Significant Impact (FNSI) or, if necessary, Notice of Intent for an Environmental Impact Statement. The cost of these administrative responsibilities is \$147,350 and is a line item in the proposal submission requirements that will be treated as a deposit once the Offeror is selected.

E. EQUALIZATION PAYMENT

In the event the value of the land and facilities offered in response to the requirements of this Notice do not constitute the full value the Offeror is willing to pay for the Exchange Parcel, the Offeror should identify any additional amount offered in the line item entitled "equalization payment" in paragraph (F)(1) below. The Government reserves the right to accept this equalization payment in cash or as additional "in-kind" consideration at this site or other locations as designated by the Government.

F. PROPOSAL SUBMISSION REQUIREMENTS

Offerors responding to this Notice are requested to submit proposals organized and structured in conformance with the outline shown below. Proposals should be clear and concise, and provide only relevant material. All proposal materials shall be submitted in binders with a table of contents and tabbed section dividers.

1. Value Proposal

Offerors should show the total dollar value being offered for the Exchange Parcel, which should be represented as follows:

 Value of Replacement Facilities Site Offered New Construction 	\$ \$	
Government administrative costs (Deposit)* Equalization Payment	\$ \$	147,350
TOTAL VALUE OFFERED	\$	

2. "In-Kind" Consideration Offered:

- a. Offerors should clearly specify the following particulars about the site offered:
 - i. location of the site;
 - ii. size of the site;
 - iii. at least three (3) high quality photos taken from different angles of the site offered;
 - iv. description and mapping of the site;
 - v. current use and zoning of subject site and surrounding properties;
 - vi. brief history of past uses of the site;
 - vii. description of access to site (including proximity to major interstate highways); and
 - viii. evidence of ownership or other legal interest showing ability to deliver the site.
- b. Offerors should clearly specify the notional design (with a site plan) and construction schedule for the new construction offered. See Real Property Exchange Criteria and Quality Standards (Appendix 3).

3. Offeror's Qualifications, Experience and Past Performance

^{*}Deposit shall be in the form of a Cashier's Check made out to USAED, Louisville, and shall be received within five working days of Selection of the Exchange Partner.

- a. Key Team Member Qualifications: Include the company, organization or development team's technical ability to design and construct replacement facilities. Identify the design and construction firms to be assigned to this project. Describe each firm's qualifications, relevant experience and past performance with projects of a similar nature, scope and scale. Provide descriptions of new building projects, up to five examples, completed within the last five years, which are similar to this project in size, scope and dollar value that each firm completed. Please include the Design and Construction Firm Names, name and location of the project, a description of the General Scope of the Project, amount of self-performed work, Construction Cost, type and extent of work subcontracted out, the length of construction (with beginning and end occupancy dates), and original and final contract amounts. Indicate how the Offeror and the design and construction firms interrelate, and clearly identify the line of authority.
- b. **Past Performance.** Provide evidence of the design and construction firm's successful completion of quality projects, on time and within budget. Provide copies of any awards, commendation letters, etc. that are related to the projects that are submitted under Paragraph (F)(3)(a) above. Provide the names and telephone numbers for one reference that can attest to the successful completion of the projects submitted under Paragraph (F)(3)(a) above.

4. Financial Capability/Capacity

- a. Provide independently certified financial statements for each business entity comprising your team showing assets and liabilities, including contingent liabilities, itemized in accordance with generally accepted accounting principles.
- b. Provide documentation that demonstrates the Offeror's ability to obtain performance and payment bonds in the amount of the proposal in the event performance and payment bonds are necessary during the execution phase of the Exchange Agreement.

Financial information submitted in response to this Notice may be afforded protection from public disclosure [see Part (J)(3) herein].

5. Environmental Condition Assessment

a. Provide written documentation to include a summary of the current environmental condition of the site offered including any known environmental concerns or hindrances that may effect future development and use of the property.

b. Provide all existing environmental assessments, studies, surveys, and other documentation that are available for the site offered, including report of findings of searches of commercially available federal, state, and local environmental agencies database files.

G. EVALUATION PROCESS AND FACTORS

A Government evaluation board will evaluate the proposals independently and objectively. After final evaluation of the offers, the Government will select the Offeror whose proposal offers the best overall value. The factors shown below will be used by the Government to evaluate the proposals to determine the overall best value.

1. Value Proposal

This is an evaluation of the economic return to the Government.

2. "In-Kind" Consideration Offered

This is an evaluation of the effectiveness of the land and replacement facilities to satisfy the U.S. Army Reserve's long-term training needs. This will include evaluation of site access, site configuration, compatibility with surrounding land uses, and the concept design and delivery schedules.

3. Offeror's Qualifications, Experience and Past Performance

This is an evaluation of the nature and extent of the qualifications, experience and past performance of the Offeror with respect to the development of projects and properties of a similar nature, scope and scale.

4. Financial Capability/Capacity

This is an evaluation of the degree of financial strength demonstrated by the Offeror, and evidence that the Offeror possesses the financial capability and capacity to carry out the envisioned project.

5. Environmental Condition Assessment

This is an evaluation of the environmental condition of the site offered and its suitability for future development and intended use.

H. SCHEDULE

Notice Issued 22 December 2005 Open Site Visit and Pre-Proposal Conference 18 January 2006 Responses Due 28 February 2006 * It is the intent of the Government to select an Offeror no later than 15 March 2006; however, the Government reserves the right to extend this time period in the event more time for review of the proposals is required. In the event the time period is extended, the Government will provide notice to each Offeror.

I. <u>INSTRUCTIONS AND ADDITIONAL INFORMATION</u>

1. One (1) original and four (4) copies of the Proposal, as well as an electronic copy, in response to this Notice shall be received at the following address no later than 4:00 p.m. Eastern Standard Time, 28 February 2006.

Recipient: Valerie Doss (502)315-6979

Mailing Address: U.S. Army Corps of Engineers, Attn: CELRL-RE-M, 600 Dr. Martin Luther King Jr. Place, Room 137, Louisville, Kentucky

40202-2232

Email Address: VALERIE.J.DOSS@LRL02.USACE.ARMY.MIL

- 2. Submissions should be sent in an envelope clearly marked "RESPONSE TO NOTICE OF AVAILABILITY FOR EXCHANGE: MOREHEAD CITY, NORTH CAROLINA".
- 3. All proposal materials shall be submitted in binders with a table of contents and tabbed section dividers and should not exceed 50 pages.
 - 4. Facsimile or electronic responses will not be considered.
 - 5. Written comments and questions regarding this Notice shall be referred to:

Recipient: Valerie Doss

Mailing Address: U.S. Army Corps of Engineers, Louisville District, Attn: CELRL-RE-M, P.O. Box 59, Louisville, Kentucky 40201-0059

Phone Number: 502-315-6979 Facsimile Number: 502-315-7008

Email address: VALERIE.J.DOSS@LRL02.USACE.ARMY.MIL

All comments and questions will be reviewed and referred to Government representatives for appropriate action. Individual responses may not be provided.

6. An Open Site Visit and Pre-Proposal Conference will be held on 18 January 2006.

The conference will be held at 10:00 a.m. at the following location: 405 Fisher Street, Drill Hall, Morehead City, North Carolina.

All attendees to the pre-proposal conference are strongly encouraged to register with

Valerie Doss at (502)315-6979 no later than 12 January 2006.

Arrangements for follow-up site visits should be made through Ms. Doss. All site visits must be coordinated in advance.

J. SPECIAL CONDITIONS AND LIMITATIONS

1. No Obligation

While the Government intends to enter into an agreement with an Offeror selected through this Notice process, it is under no obligation to do so. The Government reserves the right to cancel this Notice at any time, or to reject and all submissions prepared in response. The Government is not responsible for any costs incurred in order to participate in this exchange process, including any "bid and proposal" costs.

2. Waiver

The Government reserves the right to waive informalities and minor irregularities in offers received if it is determined that it is in its best interest of the Government to do so.

3. Protection Afforded to Sensitive Material

Information contained in materials submitted in response to this Notice may be afforded protection from public disclosure if the provider identifies the same as "proprietary" with supporting justification, and requests such protection at the time of submission. Each page that is considered proprietary must be clearly marked.

4. Rights Reserved

The Government reserves the right to hold exclusive negotiations with a selected Offeror that may result in terms and conditions that may differ from the terms and conditions originally offered. Furthermore, the Government reserves the right to terminate negotiations with the selected Offeror, and initiate negotiations with others if within twelve (12) months of selection of the Offeror it is determined that the Government will be unable to conclude successful negotiations with the selected Offeror.

5. Hold Harmless

By participating in this exchange process, Offerors agree to hold the United States, its officers, employees and consultants harmless from all claims, liabilities and costs related to all aspects of this transaction. Under no circumstances shall the Government be liable for any real estate brokerage commissions, finder's fees or other

forms of compensation related in any way to activities undertaken by any person as a result of this acquisition.

6. Title and Title Evidence

Conveyance of the Exchange Parcel to the Exchange Partner will be by Quitclaim Deed. Any title evidence desired by the Exchange Partner shall be at its sole cost and expense.

Appendix 1 Legislative Authority

10 USCS § 18240

UNITED STATES CODE SERVICE
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*** CURRENT THROUGH P.L. 108-415, APPROVED 11/19/04 ***

TITLE 10. ARMED FORCES
SUBTITLE E. RESERVE COMPONENTS
PART V. SERVICE, SUPPLY, AND PROCUREMENT
CHAPTER 1803. FACILITIES FOR RESERVE COMPONENTS

§ 18240. Acquisition of facilities by exchange

- (a) Exchange authority. In addition to the acquisition authority provided by section 18233 of this title, the Secretary of Defense may authorize the Secretary of a military department to acquire a facility, or addition to an existing facility, needed to satisfy military requirements for a reserve component by carrying out an exchange of an existing facility under the control of that Secretary through an agreement with a State, local government, local authority, or private entity.
- (b) Facilities eligible for exchange. Only a facility of a reserve component that is not excess property (as defined in section 102(3) of title 40) may be exchanged using the authority provided by this section.
- (c) Equal value exchange. In any exchange carried out using the authority provided by this section, the value of the replacement facility, or addition to an existing facility, acquired by the United States shall be at least equal to the fair market value of the facility conveyed by the United States under the agreement. If the values are unequal, the values may not be equalized by any payment of cash consideration by either party to the agreement.
- (d) Requirements for replacement facilities. The Secretary of a military department may not accept a replacement facility, or addition to an existing facility, to be acquired by the United States in an exchange carried out using the authority provided by this section until that Secretary determines that the facility or addition--
 - (1) is complete and usable, fully functional, and ready for occupancy;
 - (2) satisfies all operational requirements; and
- (3) meets all applicable Federal, State, and local requirements relating to health, safety, fire, and the environment.

- (e) Consultation requirements. The Secretary of a military department authorized to enter into an agreement under subsection (a) to convey an existing facility under the control of that Secretary by exchange shall consult with representatives of other reserve components to evaluate--
- (1) the value of using the facility to meet the military requirements of another reserve component, instead of conveying the facility under this section; and
- (2) the feasibility of using the conveyance of the facility to acquire a facility, or an addition to an existing facility, that would be jointly used by more than one reserve component or unit.
- (f) Advance notice of proposed exchange.
- (1) When a decision is made to enter into an agreement under subsection (a) to exchange a facility using the authority provided by this section, the Secretary of the military department authorized to enter into the agreement shall submit to the congressional defense committees a report on the proposed agreement. The report shall include the following:
- (A) A description of the agreement, including the terms and conditions of the agreement, the parties to be involved in the agreement, the origin of the proposal that lead to the agreement, the intended use of the facility to be conveyed by the United States under the agreement, and any costs to be incurred by the United States to make the exchange under the agreement.
- (B) A description of the facility to be conveyed by the United States under the agreement, including the current condition and fair market value of the facility, and a description of the method by which the fair market value of the facility was determined.
- (C) Information on the facility, or addition to an existing facility, to be acquired by the United States under the agreement and the intended use of the facility or addition, which shall meet requirements for information provided to Congress for military construction projects to obtain a similar facility or addition to an existing facility.
- (D) A certification that the Secretary complied with the consultation requirements under subsection (e).
- (E) A certification that the conveyance of the facility under the agreement is in the best interests of the United States and that the Secretary used competitive procedures to the maximum extent practicable to protect the interests of the United States.
- (2) The agreement described in a report prepared under paragraph (1) may be entered into, and the exchange covered by the agreement made, only after the end of the 30-day period beginning on the date the report is received by the congressional defense committees or, if earlier, the end of the 21-day period beginning on the date on which a copy of the report is provided in an electronic medium pursuant to section 480 of this title.
- (3) Section 2662 of this title shall not apply to an exchange carried out using the authority provided by this section.

(g) Relation to other military construction requirements. The acquisition of a facility, or an addition to an existing facility, using the authority provided by this section shall not be treated as a military construction project for which an authorization is required by section 2802 of this title.

HISTORY:

(Added Oct. 30, 2004, P.L. 108-375, Div B, Title XXVIII, Subtitle A, § 2809(a)(1), 118 Stat. 2125.)

HISTORY; ANCILLARY LAWS AND DIRECTIVES

Other provisions:

Temporary authority to include cash equalization payments in exchange. Act Oct. 30, 2004, P.L. 108-375, Div B, Title XXVIII, Subtitle A, § 2809(c), 118 Stat. 2127, provides:

- "(1) Notwithstanding subsection (c) of section 18240 of title 10, United States Code, as added by subsection (a), the Secretary of Defense may authorize the Secretary of a military department, as part of an exchange agreement under such section, to make or accept a cash equalization payment if the value of the facility, or addition to an existing facility, to be acquired by the United States under the agreement is not equal to the fair market value of the facility to be conveyed by the United States under the agreement. All other requirements of such section shall continue to apply to the exchange.
- "(2) Cash equalization payments received by the Secretary of a military department under this subsection shall be deposited in a separate account in the Treasury. Amounts in the account shall be available to the Secretary of Defense, without further appropriation and until expended, for transfer to the Secretary of a military department--
- "(A) to make any cash equalization payments required to be made by the United States in connection with an exchange agreement covered by this subsection, and the account shall be the only source for such payments; and
- "(B) to cover costs associated with the maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of facilities, and additions to existing facilities, acquired using an exchange agreement covered by this subsection.
- "(3) Not more than 15 exchange agreements under section 18240 of title 10, United States Code, may include the exception for cash equalization payments authorized by this subsection. Of those 15 exchange agreements, not more than eight may be for the same reserve component.
- "(4) In this section, the term 'facility' has the meaning given that term in section 18232(2) of title 10, United States Code.
- "(5) No cash equalization payment may be made or accepted under the authority of this subsection after September 30, 2007. Except as otherwise specifically authorized by law, the authority provided by this subsection to make or accept cash equalization payments in connection with the acquisition or disposal of facilities of the reserve components is the sole authority available in law to the Secretary of Defense or the Secretary of a military department for that purpose.
 - "(6) Not later than March 1, 2008, the Secretary of Defense shall submit to the

congressional defense committees a report on the exercise of the authority provided by this subsection. The report shall include the following:

- "(A) A description of the exchange agreements under section 18240 of title 10, United States Code, that included the authority to make or accept cash equalization payments.
- "(B) A description of the analysis and criteria used to select such agreements for inclusion of the authority to make or accept cash equalization payments.
- "(C) An assessment of the utility to the Department of Defense of the authority, including recommendations for modifications of such authority in order to enhance the utility of such authority for the Department.
- "(D) An assessment of interest in the future use of the authority, in the event the authority is extended.
- "(E) An assessment of the advisability of making the authority, including any modifications of the authority recommended under subparagraph (C), permanent."

Appendix 2 DD Form 1391 - Military Construction Project Data

Appendix 3 Moored Boat Specifications Landing Craft Utility (LCU)

Specifications				
	LCU-1600	LCU-2000		
Length overall	135 feet	174 feet		
Beam	30 feet	42 feet		
Draft	6 feet (light); 7 feet (loaded)	8 feet (light) 9 feet (loaded)		
Beaching draft		4 feet at the bow		
Displacement	205 LTONs (light) 390 LTONs (loaded).	575 long tons (light) 1087 long tons (loaded)		
Deck area	1,785 square feet	2,500 square feet (5 M1 Main Battle Tanks or 12 [24 double stacked] 20' ISO containers)		
Bow ramp		16 feet wide x 22 feet long		
Payload	184 tons 170 tons of cargo, 3 tanks or 400 troops	350 tons (equivalent payload of 8 C-17 loads or 15 C-141 loads)		
Propulsion	Diesel			
Range	1,200 nautical miles at 12 knots (light); 1,100 nautical miles at 11 knots (loaded)	10,000 nautical miles at 12 knots (light) 6,500 nautical miles at 10 knots(loaded)		
Crew size	11	13		
Avg. age		6 yrs Estimated Useful Life - 25 yrs		
Inventory		Army = 34 on-hand, 47 required (funded in POM) (11 Prepo, 19 AC, 17 RC.)		
		 Carries up to thirty 20-foot containers or twelve 40-foot containers. 		
		 Sustains crew of 2 warrant officers and 11 en-listed personnel for up to 18 days. Equipped with latest navigation, communications, and electronic equipment including 		
		an automatic pilot and steering system.		

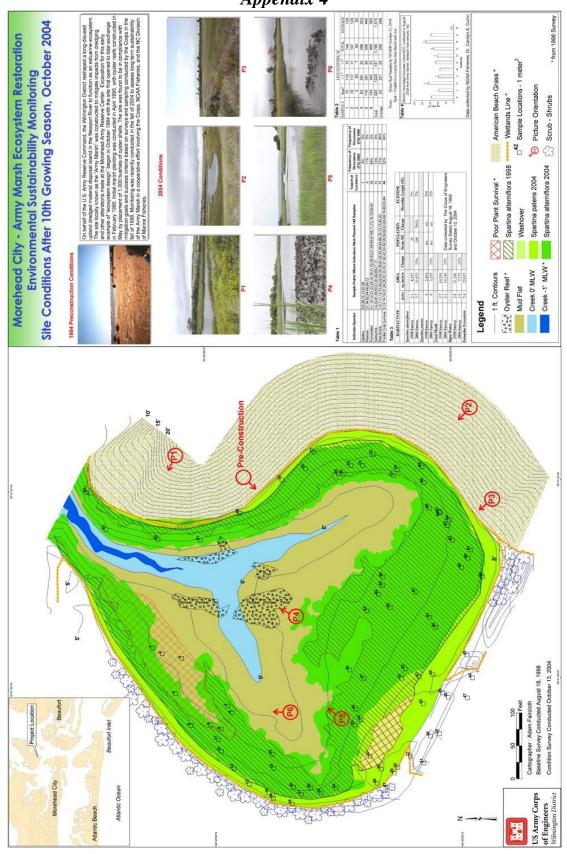
Mechanized Landing Craft LCM

Specifications					
	LCM-6	LCM-8			
Displacement (light		58 LTONs			
Displacement (full load, approx.)	137,600 lbs.	105 tons (95.5 metric tons) full load			
Length Overall (nominal, hull)	56 ft. 0 in.	73.7 feet (22.5 meters)			
Beam (nominal, over guards)	14 ft. 4 in.	21 feet (6.4 meters)			
Draft (max. full load)	4 ft. 3 in.	3.5 feet (light); 5 feet (loaded)			
Hoisting Weight (max)	69,600 lbs.	53 tons			
Deck area		620 square feet.			
Fuel Capacity	768 gals.				
Cargo Capacity	68,800 lbs. or 80 troops	1- M60 tank or 200 troops			
Propulsion Engine (hp)	600 shp per engine at 2300 rpm	2- Detroit 12V-71 Diesel engines; 680hp sustained; twin shafts			
Speed	9 kts (10.3 mph, 16.6 kph)	12 kts (13.8 mph, 22.2 kph)			
Range	130 miles at 9 kts	332 nautical miles at 11 knots (light) 271 nautical miles at 9 knots (loaded) 190 miles at 9kts full load			
Crew	5 persons				
Hull Construction	Steel				

^{*} View photos and additional information online at:

- http://www.angelfire.com/biz/romarkaraoke/mikeboat.html
- http://www.ndu.edu/nwc/nwcclipart/US_NAVY/Equipment/Amphibious-Vessels/LCU-LCM/aLCU08.jpg
- http://www.globalsecurity.org/military/systems/ship/lcu-2000.htm
- http://www.globalsecurity.org/military/systems/ship/lcm.htm

Appendix 4



Appendix 5 Environmental Baseline Survey and Draft Finding of Suitability to Transfer (CD)

Appendix 6 Army Reserve Real Property Exchange, Criteria and Quality Standards (CD)